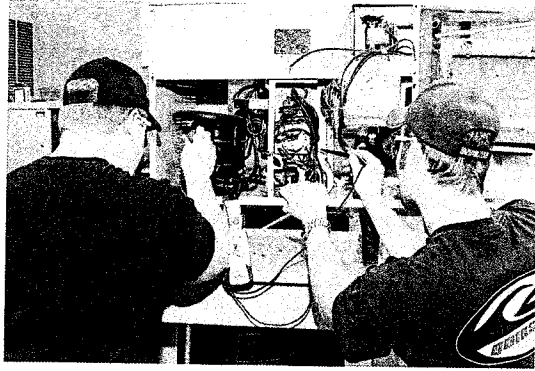


SENATE EDUCATION

EXHIBIT NO. 2

DATE 2-21-07

BILL NO. SB 484



MSU Billings Regional Workforce Training Facility

A PROPOSAL FOR BRIDGING ACADEMIC EXCELLENCE & ECONOMIC OPPORTUNITY



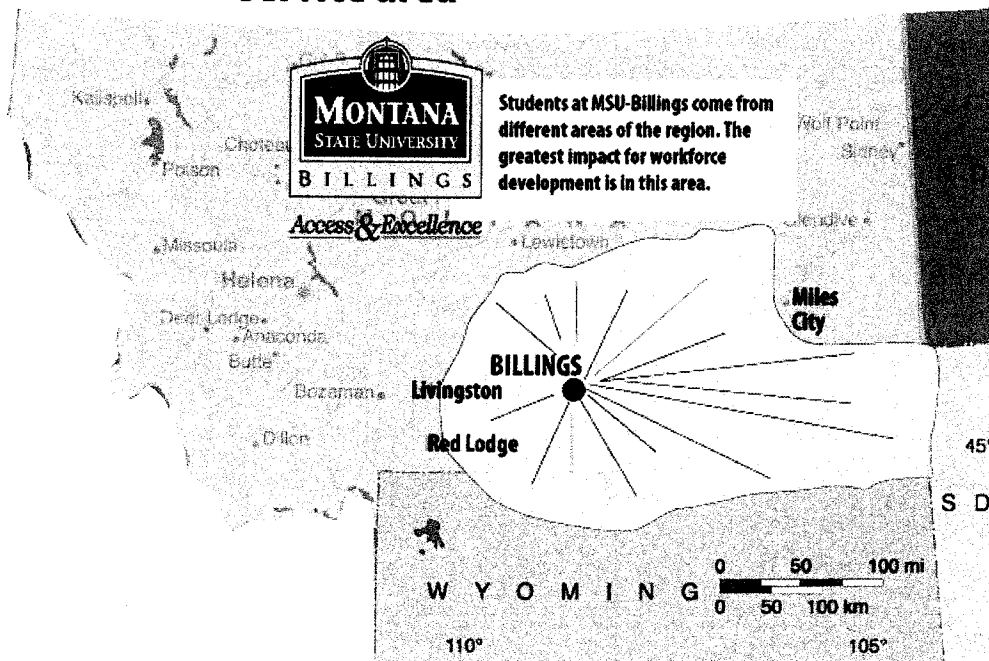
Prepared for
Sen. Jeff Essmann
2007 Montana Legislature

A Regional Workforce Training Facility

SOME BACKGROUND

The concept of a Regional Workforce Training Facility to serve Billings and Eastern Montana is something that has been on the minds of area business and industry leaders for the past few years as industry growth and business recruitment efforts have developed. Economic health and stability is only as good as its workforce, and if the region is to develop into a strong business climate with good-paying jobs, workers — at all levels — must be trained to take advantage of those opportunities.

The Montana State University-Billings service area



THE NEED

Montana — and especially the Billings region — are experiencing significant growth in a wide variety of industries ranging from health care, construction, energy production and energy development (oil and coal bed methane). The numbers in the current workforce in these areas are dwindling as baby boomers age and begin thinking about retirement. Growth in construction and trades specifically has resulted in industry requests for new trained workers. The state of Montana predicts that specialty trade contractors and construction workers for buildings will continue to mature in the next decade, growing more rapidly than any other occupation. The labor department predicts that 4,000 positions will be added to that sector between now and 2012. The story is much the same for professions in all areas.

At the same time, baby boomers are entering retirement age, leaving vast holes in the regional workforce that need to be filled.

Therefore, it makes sense that Montana take stock of its ability to train workers for these trades positions so that the industry can maintain its projected growth rates. This need is made even more urgent by the fact that a full third of Montana's construction workforce is currently aged 45 or older. That, in turn, indicates that the need for new craftsmen beyond the 4,000 projected positions.

Energy companies, the health care industry, financial services companies and the business service industry (CPAs and law firms, for example) all are experiencing the same kinds of demands. In addition, workforce training opportunities are among the keys to recruiting new business and retooling incumbent workers for new career paths.



THE NEED

Montana State University Billings and its College of Technology has developed numerous programs in recent years to respond to the needs of business and industry. In the past year, the COT helped facilitate short-term classes in flooring and began its two-year construction trades program. A number of unmet needs are in the community. They include:

- » Culinary/Hospitality Management
- » Various construction industries (The COT has **NO ROOM** for any of its many construction programs)
- » Green Technology (the COT could become an Energy Star Training Center focusing on high efficient and Energy Star-related construction)
- » Heavy Equipment Operations/Light Industrial Training
- » Industrial Maintenance
- » Pipeline Construction
- » OSHA/MSHA/Hazmat and other Safety Training
- » Expansion of Fire Science to include wildlands and specialized structural fire training
- » Employment Testing (this includes aptitude and skill for new and incumbent workers such as in the refining and mining industries)
- » Short-term workforce training space (to help fill interest in classes offered in Build a Better Billings, etc.)
- » Partner with the local and regional Apprenticeship Programs and provide classroom/shop space
- » Training space for the so-called "soft skills" associated with business and industry (resume building, career exploration and communication in partnership with the Job Service)



SUPPORT

The Billings Chamber of Commerce's Government Affairs Committee agreed in December that workforce development is imperative. The committee's policy statement says: "We encourage the continuation and expansion of dialogue and cooperative ventures between higher education and private business that address workforce training needs and shortages and promote partnerships to pursue business opportunities."

As an entity, the Billings Chamber also takes a stand in support of more workforce development/training in its statement of philosophy. It says:

Workforce Training

Publicly funded worker training is essential in order for Montana to be competitive when it comes to industry retention/expansion and new industry recruitment. We support continued funding to help offset the cost of training individuals for newly created "base industry sector" jobs as enacted by the 2003 and 2005 legislatures. Furthermore, we support the initiative to develop training funds and programs for incumbent worker training to assist existing businesses to expand and to utilize the talents of their incumbent workers to meet the demands of the 21st century workplace. Advancing incumbent workers to more technical and skilled positions within their companies will provide positive results for the worker, the business and Montana's economy. We support the reduction of bureaucratic costs and improved efficiencies in the workforce system resulting in maximizing funding to train workers and assist businesses.

The Board of Directors of the Big Sky Economic Development Authority in Billings has made development of a regional workforce training facility a priority. In 2006, the Big Sky EDA issued a proposal that would partner with Montana State University Billings' College of Technology on such a development.

The regional training center could provide technology-enhanced educational opportunities for high-demand technical and occupational programs, a one-stop job center where multiple job training and educational services will be available to Billings and Eastern Montana, as well as business development services to aid small business owners.

FACILITY SPECS

A regional workforce training facility constructed on the campus of the Montana State University Billings College of Technology with a 30,000 square-foot footprint could be constructed in a variety of ways. The cost for a shelled space with some movable walls and basic infrastructure would be \$3.6 million. The cost for a fully constructed facility with classrooms would be \$5 million. The multi-use building would include the following space provisions:

- » State of the art technology distance learning classrooms and computer laboratories
- » Conference facilities
- » Office space
- » Flexible meeting space with movable walls and multi-functional labs

Programs and services:

- » A regional construction and trades training center
- » Student advising and developmental education services
- » Customized training assessment and delivery

The training facility would also serve a critical component for industry recruiting and screening. It will also be able to act as a partner to a company's human resources department during start-ups and expansions. Services will include:

- » Assisting employers with identifying prospective employees who have appropriate skills;
- » Assisting employees with validating skills for employers;
- » Providing space for industry updating and innovative training;
- » Allowing students who wish to acquire college credit to convert their skills into credit courses that apply towards degrees or certificates;
- » Allowing high school students to take advantage of dual credit opportunities;
- » Providing opportunities for the region's middle aged population or early retirees to acquire new skills.

The facility will be designed so that it will enable the College of Technology to be flexible and responsive as business and industry workforce training needs evolve over the next decade and beyond. Other potential partnerships would include School District No. 2; Billings Job Service, Business, Expansion and Recruitment (BEAR); and the Small Business Development Center (SBDC).

It could also provide space for the university and College of Technology to partner with labor and trade unions for their apprenticeship training, including providing space for them to teach some of their related educational and classroom training. At the moment they hold this training at other locations and are often short of space.

THE LOCATION

The location of the facility is ideally suited for a partnership with the School District 2 Career Center. The Career Center is essentially located in the back yard of the COT, sitting about 300 feet from the current COT facility. "At-risk" youth who are at the Career Center could make use of industrial or technical training at the COT via a workforce training facility that meets their needs. This is a perfect opportunity to forge new connections with K-12 education and the business community to promote technical education.



The MSU Billings College of Technology offers a wide variety of associates degrees and certificates in six areas. Those areas include:

- Business
- Industry
- Computer technology
- Transportation
- Nursing & health occupations
- Safety occupations

In the fall of 2006, the Montana Board of Regents approved a construction trades program that will be offered to students through a federal Department of Labor grant and scholarship support from area contractors. The Montana BILT program has a coordinated curriculum with other two-year programs in Montana.

The COT has experienced huge growth in the past several years because of popularity of its programs.



THE IDAHO MODEL

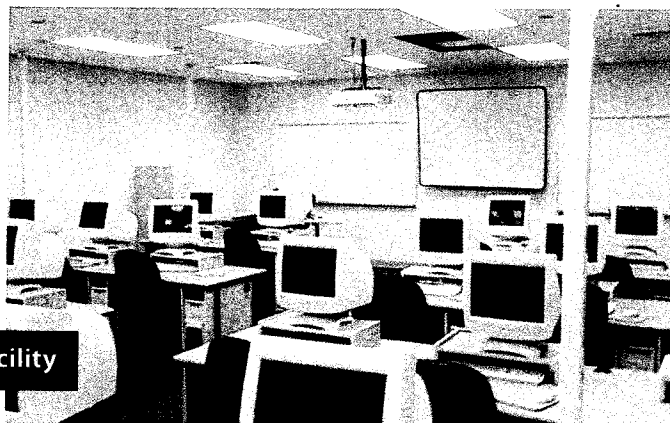
This idea is a mirror image of the Workforce Training Center at North Idaho College in Post Falls, Idaho.

That facility was constructed in 1994 with support from the college's foundation. It has about 20 classrooms in 30,000 square feet of space. It serves a wide variety of workforce training needs for the business and industry community of the booming region of Northern Idaho. Clients range from manufacturing to data companies and include Buck Knives, ADDData Solutions, Verizon, Northern Lights, flexcel, TESH, Inc., and Ground Force Manufacturing. Last year, the training center served **7,000 unduplicated headcount** in a variety of programs and customized training. The facility utilizes staff and expertise to assist businesses with training objectives, content and actual training.

The North Idaho facility also offers job search resources and career assessment services. It has reached 100% capacity and will soon be expanding to 14 acres that was recently acquired. The future of the North Idaho College facility includes plans for a business incubator and other outreach possibilities.

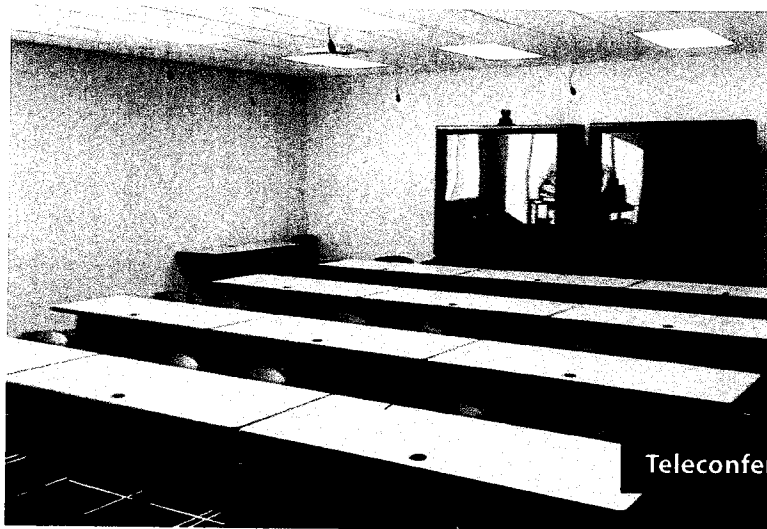


Exterior of building



Classroom facility

THE IDAHO MODEL



Teleconference facility



Multiple classrooms



Student lounge/study area